

## **Department of Commerce FY 2000/2001 CFO Guidance Accountability Report**

### **Background/ General**

The Government Management Reform Act of 1994 (GMRA) provided OMB the authority to identify pilot agencies for the preparation of Accountability Reports. Current legislation is expected to be passed that will require Accountability Reports for FY 2000 and beyond. The preparation of an Accountability Report streamlines reporting requirements of the Department by consolidating and/or eliminating the various reports required by Congress in separate legislation into a single report. The Accountability Report will present not only the financial condition of the Department, but also report on the performance accomplishments of the Department in achieving its program missions, goals, and objectives.

### **Accountability Report Committee**

An Accountability Report Committee will be responsible for the coordination, assistance with compiling the various components of the report, and monitoring the process to ensure deadlines are met. The Accountability Report Committee will include members from each of those bureaus and Departmental Offices that provide significant data and information for the Accountability Report. Members of the committee should collectively possess subject matter knowledge of programs, activities, and financial reporting requirements of the Department. The Director of the Office of Financial Policy and Assistance (OFPA) will chair the Accountability Report Committee. In addition, representatives from each of the following Departmental Offices will be requested: Office of the Executive Secretariat, Office of Budget and/or Government Performance and Result Act (GPRA) Task Force, Office of Management and Organization, Office of the Inspector General (OIG), Office of Public Affairs, Office of Chief Information Officer, and Bureau representation when necessary.

Responsibilities of the Accountability Report Committee will include, but are not limited to, the following activities:

- Provide guidance on the overall preparation, accuracy, and publishing of the Accountability Report.
- Gather the necessary information to be included in the report. (Such as provide pictures related to each bureau's specific activities and performance goals.)
- Active involvement by the committee in all areas comprising the report.
- Verification of the data included in the Accountability Report.
- Ensure the Accountability Report meets necessary requirements.
- Oversee the dissemination of the Accountability Report.
- Explore ways to simplify and streamline the Accountability Report and process.
- Ensure commitment from all Departmental Offices and bureaus.

## **Sections and Responsibilities**

The following provides a general description of the major sections of the Accountability Report and offices with primary responsibility. See the Accountability Report Milestone Dates for the Data/Information Call, Draft and Final milestone dates for each section. Detailed requests for information required from individual offices will be forwarded under separate covers.

**Foreword-** Intended to provide the reader with a brief narrative about the purpose and history of the Accountability Report process. OFM will be responsible.

**Statement from the Secretary-** High-level discussion of the Department's successes (both financial and program) in the past fiscal year. Although OFM will be responsible, input and suggestions will be requested from various Departmental offices, including the Office of the Executive Secretariat.

**Message from the Chief Financial Officer-** Brief discussion of the general financial condition of the Department, including the audit opinion received and the status of financial management improvement efforts. OFM will be responsible.

**The Department at a Glance-** Provides an executive summary of the Department. It may include legislative history of the Department, its mission, bureaus, locations, employees and financial resources.

**Highlights and Management Accomplishments-** Highlights should capture the reader's attention and focus on Department, Financial and Program Highlights. Department Highlights may include crosscutting accomplishments and how the Department impacts the life of the public. Examples of financial highlights may include major financial changes from the previous year and progress. The program highlights will focus on the strategic goals and program initiatives. Although OFM will be responsible, input and suggestions will be requested from various bureaus and Departmental Offices.

**Management's Discussion and Analysis (MD&A)-** Summary covering the entire Department with an integrated discussion of the Department's mission, strategic planning process, performance information, and a summary of the financial condition of the Department. MD&A can be divided into the following major areas:

**Mission and Strategic Planning-** Clearly describes the mission statement, vision and strategic planning process. This section concisely conveys how the strategic goals are incorporated and how bureau activities support the Department's mission. This will parallel the Department's revised Strategic Plan that will be finalized in September. The Office of Budget and the GPRA Task Force will be responsible for providing much of this information.

**Performance Goals and Results-** Includes key goals and performance measures organized using the Strategic Goals as detailed in the Strategic Plan and presented on the Statement of Net Cost. (*Note: See the following pages for a listing of the bureau goals and performance measures that will be included in the Accountability Report.*) In addition, historical results, future target information, and redemption plans should be included. The GPRA Task Force and OFM will be responsible.

Management Controls- Includes detail on the Federal Managers' Financial Integrity Act of 1982 (FMFIA), Federal Financial Management Improvement Act of 1996 (FFMIA), Report on Audit Follow Up and Biennial Review of Fees.

FMFIA- Provides a certification from the Secretary whether or not the Department's systems of accounting and internal control are in compliance with FMFIA and the current status of findings and corrective action plans. OFM and the Office of Management and Organization will be responsible.

FFMIA- Includes a statement whether or not the Department is substantially in compliance with FFMIA, and, if instances of non-compliance were identified, includes the remediation plan or reference to where it can be found. OFM will be responsible.

Report on Audit Follow-Up- Provides a summary of audit follow-up information, including the status of audit reports and open recommendations as required by the Inspector General Act, as amended. The Office of Management and Organization will be responsible.

Biennial Review of Fees- Provides a summary of results of the Department's review of agency fees and other charges for services and products it provides to beneficiaries as opposed to the public in general. OFM will be responsible.

Looking Ahead- Includes detail of Department's Major Issues, Uncertainties, Risks and Concerns, and Initiatives and Priorities.

Major Issues, Uncertainties, Risks and Concerns- Brief discussion of the prevailing issues that may affect the Department's programs and its ability to administer the programs in the future. Although OFM will be responsible, input and suggestions will be requested from various bureaus and Departmental Offices.

Initiatives and Priorities- Brief discussion of the Secretary's initiatives and priorities which will be the focus of the Department's energies. Although OFM will be responsible, input and suggestions will be requested from various bureaus and Departmental offices.

Financial Management and Analysis- Provides Department-wide financial management information and analysis. OFM will be responsible.

Introduction- Includes OFM's Mission and Vision statements.

Initiatives and Priorities- Brief discussion of OFM's major Initiatives and Priorities.

Financial Management Indicators- Includes the quantitative indicators prescribed by OMB to monitor improvements in financial management.

Debt Management- Includes the requirements of the Debt Collection Improvement Act of 1996 and the Credit Reform Act of 1990 along with the Department's performance.

Payment Practices- Provides information and an evaluation of prompt payment, electronic funds transfer and bank card activity.

Analysis of Financial Condition and Results- High level discussion of the Department Financial Condition and Results for the fiscal year. Examples may include trends, components and responsibility segments of the assets and liabilities. In addition, it also includes analysis of the net cost of operations by strategic goals. OFM, with the assistance of bureau finance offices, will be responsible.

Limitations of the Financial Statements- Briefly describes the Department's responsibility for the financial information, limitations on the financial statements and how the financial statements were compiled.

Principal Financial Statements and Notes, Required Supplementary Stewardship Information, and Required Supplementary Information - Includes the consolidated financial statements and other requirements defined by OMB Bulletin 97-01. See other exhibits within this guidance for detailed instructions. OFM will be responsible.

Inspector General's Reports- Includes the Inspector General's Report on Financial Statements, Inspector General's Report on Internal Control, and the Inspector General's Report on Compliance with Laws and Regulations. OIG will be responsible.

Glossary of Acronyms- Provides a concise listing of all acronyms used in the Accountability Report. OFM will be responsible.

**Schedule of FY 2000 Accountability Report Preparation (subject to change)**

Accountability Report Section	Responsible Office	Milestone Dates		
		Data Call Sent	Response Due/Draft	Final
Foreword	OFM	N/A	Aug 16	N/A
Statement from the Secretary	OFM	Nov 13	Dec 15	Feb 15
Messages from the CFO	OFM	Nov 13	Dec 15	Feb 15
Organization Chart	OFM	N/A	Oct 15	Dec 15
The Department at a Glance	OFM	N/A	Nov 15	Dec 15
FY2000 Highlights and Management Accomplishments	OFM	Oct 16	Nov 13	Dec 11
<b><i>Management's Discussion and Analysis (MD&amp;A)</i></b>				
<b><i>--Mission and Strategic Planning</i></b>				
Mission Statement	Office of Budget and/or GPRA Task Force	Aug 14	Sept 30	Nov 13
Strategic Planning Process	Office of Budget and/or GPRA Task Force	Aug 14	Sept 30	Nov 13
Strategic Goals and Bureau Activities that Supporting Our Mission	OFM	Aug 14	Sept 30	Nov 13
<b><i>-- Performance Goals and Results</i></b>	Office of Budget and/or GPRA Task Force	Sept 30	Nov 13	Dec 30
<b><i>--Management Controls</i></b>				
: FMFIA	Office of Management and Organization/OFM	Sept 30	Nov 30	Dec 30
: FFMIA	OFM	N/A	Feb 1	Feb 15
: Report on Audit Follow-Up	Office of Management and Organization	Sept 30	Nov 6	Nov 27
: Biennial Review of Fees	OFM	N/A	Nov 15	Dec 30
<b><i>--Looking Ahead</i></b>				
: Major, Issues, Uncertainties, Risks	OFM	Oct 16	Nov 13	Jan 14
: Initiatives and Priorities	OFM	Oct 16	Nov 13	Jan 14
<b><i>--Financial Management And Analysis</i></b>				
: Introduction	OFM	N/A	Oct 23	Dec 30
: OFM Initiatives and Priorities	OFM	N/A	Oct 23	Dec 30
: Financial Management Indicators	OFM	N/A	Nov 17	Dec 11
: Debt Management	OFM	N/A	Nov 17	Dec 11
: Payment Practices	OFM	N/A	Nov 17	Dec 11
: Analysis of FY 2000 Financial Condition and Results	OFM and Bureau Finance Offices	Nov 6	Dec 11	Jan 22
<b><i>Financial Statements</i></b>	OFM	N/A	Jan 12	Feb 15
<b><i>Inspector General's Reports</i></b>	OIG	N/A	N/A	Feb 22
<b><i>Glossary of Acronyms</i></b>	OFM	N/A	Nov 30	Jan 15
<b><i>Other Information</i></b>				
Pictures Related to Bureau's Specific Activities	OFM/ Bureaus	Sept 30	Oct 30	Dec 15

***NOTE:*** This should be considered a working draft as other offices may be required to provide information and assist the responsible office. In addition, data requests, follow up, and verification will be ongoing.

**Statement of Net Cost Presentation-- Bureau Goals by Strategic Goals (subject to change)**  
**\* Performance Measures to be Included in the FY 2000 Accountability Report**

**Strategic Goal 1: Expand Economic Growth, Trade and Prosperity**

**ITA Goals:**

- Enforce U.S. trade laws and agreements to promote free and fair trade
- Increase the number of small business exporters
- Implement the President's National Export Strategy in conjunction with the Trade Promotion Coordinating Committee
  - \* Number of New-to-Market firms (NTMs)
- Strengthen and institutionalize ITA's trade promotion and trade advocacy efforts
  - \* Dollar value of gross exports supported through advocacy efforts

**BXA Goals:**

- Restructure export controls for the 21<sup>st</sup> century
  - \* Number of high risk transactions deterred
  - \* Average processing time for license applications
- Maintain a fully effective law enforcement program to protect U.S. national security and public safety, uphold U.S. foreign policy, and ensure the nonproliferation of dual-use commodities and chemical weapons
- Facilitate transition of defense industries

**MBDA Goals:**

- Improve opportunities for minority-owned businesses to have access to the marketplace
  - \* Dollar value of contracts awarded
- Improve opportunities for minority-owned businesses to pursue financing

**EDA Goals:**

- Create jobs and private enterprise in economically distressed communities
  - \* Number of permanent jobs created or retained in distressed communities as a result of EDA grants
  - \* Percent of public works and economic development facilities, including revolving loan fund grants awarded in areas of highest distress
- Build community capacity to achieve and sustain economic growth
  - \* Percent of local technical assistance and economic adjustment strategy grants awarded in areas of highest distress

**ESA(Census and BEA) Goals:**

- Provide accurate economic data
- Provide timely and relevant economic data
  - \* Percentage of scheduled releases issued on time
- Provide accurate, timely, and relevant demographic data
  - \* Annual reduction from time of data collection to data releases for selected household surveys
- Conduct an accurate, timely, relevant, and cost-effective Decennial Census
  - \* 100% of legally mandated releases made on schedule:
    1. Release state population totals for apportionment by 12/31/00
    2. Release tabulations for congressional redistricting by 3/31/01

**Strategic Goal 2: Stimulate Innovation for American Competitiveness**

**PTO Goals:**

- Help protect, promote, and expand intellectual property rights systems throughout the United States and abroad
- Grant exclusive rights, for limited times, to inventors for their discoveries
  - \* Average cycle time of inventions processed
- Enhance trademark protection
  - \* Pendency time to first action
- Promote awareness of, and provide effective access to, patent and trademark information
  - \* Percent of key products and services meeting schedule or cycle time of standards

**TA/NIST Goals:**

- Assist small manufacturers
  - \* Increased sales attributed to MEP assistance
- Promote performance and quality management
- Assure and improve measurements and standards
  - \* Number of items technical publications
- Stimulate advanced technologies
  - \* Cumulative number of technologies under commercialization
  - \* Cumulative number of patents filed

**NTIA Goals:**

- Advance the public interest in telecommunications, mass media, and information
  - \* Increase Internet accessibility and use
- Promote open markets and encourage competition
  - \* Reports, filings, testimony
- Ensure the radio spectrum provides the greatest benefit to all people
  - \* Number of authorized spectrum assignments
- Promote the availability and sources of advanced telecommunication and information services
  - \* Number of models/grants available for nonprofit or public sector organizations

**TA/NTIS Goal:**

- Collect, preserve, and disseminate government scientific, technical, and business-related information

**TA/OTP Goal:**

- Analyze and develop technology policies

**Strategic Goal 3: Advance Sustainable Economic Development**

**NOAA Goals:**

- Build sustainable fisheries
  - \* By 2004, 60% of stocks have sufficient essential fish habitat
  - \* By 2004, 20% increase in economic contribution of aquaculture to Gross Domestic Product
- Recover protected species
  - \* Number of species with status improved (annual)
- Sustain healthy coasts
  - \* Number of acres of coastal habitat restored (cumulative)
- Promote safe navigation
- Advance short-term warning and forecast services
  - \* Increase lead time and accuracy for severe weather warnings for Tornadoes
  - \* Increase lead time and accuracy for severe weather warnings for flash floods
  - \* Increase lead time (hours) of warnings for Hurricanes
- Implement seasonal to inter-annual climate forecasts
  - \* ENSO forecasts accuracy (correlation)
  - \* US temperature - skill score
- Predict and assess decadal to centennial change



### **Adherence to Deadlines**

A major factor in successfully producing an Accountability Report is ensuring that all deadlines are met. This includes meeting the milestones established above and individual Departmental Offices and bureaus responding to requests for information in a timely manner.

### **Verification and Validation of Information Submitted**

Bureaus and Departmental Offices providing information for the Accountability Report must assume responsibility for the accuracy of the information provided. The members of the Accountability Report Committee will be responsible for the verification of the data. Accordingly, support for all information provided should be maintained.

### **Review of Draft Accountability Report**

The Draft Report will be sent out for review and comments to all bureau CFOs, GPRA Task Force and Departmental offices. It is of great importance that it be reviewed for accuracy as OIG will be reviewing it in conjunction with their audit of the Department's financial statements. Although the information outside the financial statements will not be subject to full audit procedures, OIG will perform limited procedures on MD&A.

### **Distribution of the Accountability Report**

OFM will oversee the distribution of the Accountability Report. Although the Department must meet the March 1 reporting date to OMB by submitting the Accountability Report in draft format, the published/glossy version may not be available until a later date. The recipients of the Accountability Report may include the President, OMB, Congressional Budget Office, Congressional committees and subcommittees, Other Executive Departments, and other offices within the Department. In addition, the report will be made available on the Department's website to ensure availability to other potential customers.

### **Questions**

You may contact Lisa Casias, Director, OFPA at (202) 482-0766 or by e-mail at [Lcasias1@doc.gov](mailto:Lcasias1@doc.gov), with any questions concerning the Accountability Report.